UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, DC 20436

MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 111th Congress ¹

[Date approved: April 23, 2010]²

Bill No. and sponsor: S. 1905 (Mr. Pat Roberts of Kansas).
Proponent name, location: Payless ShoeSource, Inc., Topeka, KS.
Other bills on product (111th Congress only): None.
Nature of bill: Temporary duty suspension through December 31, 2011.
Retroactive effect: None.
Suggested article description(s) for enactment (including appropriate HTS subheading(s)):
Footwear with outer soles and uppers of rubber or plastics, covering the ankle, the foregoing for persons other than men or women (provided for in subheading 6402.91.40).
Check one: X Same as that in bill as introduced. Different from that in bill as introduced (see Technical comments section)
Product information, including uses/applications and source(s) of imports:

The bill covers casual or athletic footwear for children in which over 90 percent of the external surface area is rubber or plastics. Under the terms of the chapter 64 subheading, however, footwear with a foxing or foxing-like band and footwear that is designed to protect the wearer against water, chemicals, or the weather are excluded from coverage. The primary source of U.S. imports of subject footwear is China.

.

¹ Industry analyst preparing report: Vincent DeSapio (202-205-3435); Tariff Affairs contact: Jan Summers (202-205-2605).

² Access to an electronic copy of this memorandum is available at http://www.usitc.gov/tariff_affairs/congress_reports/.

The sponsor and proponent stated there are more than ten beneficiaries of this bill, including numerous retailers and suppliers..

Estimated effect on customs revenue for the subject product classifiable in HTS subheading 6402.91.40:

$ \bigvee $	2010	2011	2012	2013	2014
Col. 1-General rate of duty	6%	6%	6%	6%	6%
Estimated value dutiable imports ^a	\$80,000,000	\$80,000,000	\$80,000,000	\$80,000,000	\$80,000,000
Customs revenue loss b	\$4,800,000	\$4,800,000	\$4,800,000	\$4,800,000	\$4,800,000

<u>a</u>/ Dutiable import estimates were provided by industry sources.

Contacts with domestic firms/organizations (including the proponent):

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	attached?	Opposition noted?
		(Yes/No)		
Payless ShoeSource, Inc. (Proponent) Curtis Sneden, 785-295-6615	01/13/2010	No	Yes	No
Footwear Retailers and Distributors of America Matt Priest, 202-737-5660	01/14/2010	No	Yes	No
American Apparel and Footwear Association Nate Herman, 703-797-9062	01/16/2010	No	Yes	No
Rubber and Plastic Footwear Manufacturers Association Mitchell J. Cooper, 202-331-1858	01/19/2010	No	No	No

Technical comments:4

The proponent of the bill has indicated a willingness to narrow the product description in the bill so as to result in a lower customs revenue loss but has not provided precise information on the real product of interest. The article description shown on page 1 would cover all merchandise now imported under HTS statistical reporting number 6402.91.4061.

 $[\]underline{b}$ / At the request of Congress, customs revenue loss is provided for 5 years, although the effective period of the proposed legislation may differ.

⁴ The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.



111TH CONGRESS 1ST SESSION

S. 1905

To suspend temporarily the duty on certain children's footwear covering the ankle.

IN THE SENATE OF THE UNITED STATES

OCTOBER 26, 2009

Mr. Roberts introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To suspend temporarily the duty on certain children's footwear covering the ankle.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. CERTAIN CHILDREN'S FOOTWEAR COVERING
- 4 THE ANKLE.
- 5 (a) In General.—Subchapter II of chapter 99 of
- 6 the Harmonized Tariff Schedule of the United States is
- 7 amended by inserting in numerical sequence the following
- 8 new heading:

2

"	9902.01.00	Footwear with outer soles and uppers of rubber or plas- tics, covering the ankle, the foregoing for persons other than men or women (provided for in subbanding					
		for in subheading 6402.91.40)	Free	No change	No change	On or before 12/31/2011	".

- 1 (b) Effective Date.—The amendment made by
- 2 subsection (a) applies to goods entered, or withdrawn from
- 3 warehouse for consumption, on or after the 15th day after
- 4 the date of the enactment of this Act.

 \bigcirc